



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

APR 23 2008

Mr. James McIndoe
Chief, Water Division
Alabama Department of Environmental
Management
P.O. Box 301463
Montgomery, Alabama 36110-2059

Re: State of Alabama/EPA Memorandum of Agreement

Dear Mr. McIndoe:

Enclosed is an original signed copy of the Memorandum of Agreement (MOA) with the Alabama Department of Environmental Management and the U.S. Environmental Protection Agency (EPA). The MOA was signed by EPA and became effective on April 11, 2008.

Both your staff and mine have worked diligently to bring this process to conclusion. We look forward to working with you and your staff in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Giattina", written over a horizontal line.

James D. Giattina
Director
Water Management Division

Enclosure

**NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
MEMORANDUM OF AGREEMENT
BETWEEN THE STATE OF ALABAMA AND
THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4**

Section I. Introduction

This Memorandum of Agreement (hereinafter, MOA) establishes policies, responsibilities and procedures pursuant to 40 Code of Federal Regulations (C.F.R.) Part 123 and sets forth procedures for how the National Pollutant Discharge Elimination System (NPDES) program will be administered by the State of Alabama, Field Operations and Water Division, Alabama Department of Environmental Management (hereinafter, ADEM or State) and reviewed by Region 4 of the United States Environmental Protection Agency (hereinafter, EPA or Region 4). All additional agreements between the State and EPA are subject to review by the Regional Administrator of the U.S. Environmental Protection Agency, Region 4 (hereinafter, the Regional Administrator), and the Director of the ADEM (hereinafter, the Director). If the Regional Administrator determines that any provision of any agreement does not conform to the requirements of Section 402(b) of the Federal Clean Water Act (hereinafter, the CWA), 33 U.S.C. 1251 *et. seq.*, or to the requirements of 40 C.F.R. Parts 122-125, or other applicable federal regulations, the Regional Administrator shall notify the Director of any proposed revisions or modifications which must be in such agreements.

The Director and the Regional Administrator hereby agree to maintain a high level of cooperation and coordination between the State and EPA staffs in a partnership to ensure successful and effective administration of the NPDES program. In this partnership, EPA will provide to the State technical and other assistance on permit, compliance and enforcement matters when requested, as appropriate and as funding allows.

The State will administer an NPDES program in accordance with CWA Section 402, this MOA, applicable State legal authority, and the annual State Section 106 Program Plan (State 106 Workplan). The State has the primary responsibility to establish the State NPDES program priorities that are consistent with national NPDES goals and objectives. This agreement does not establish an agent relationship between EPA and the State, and no waiver of sovereign immunity is implied or assumed by this agreement.

The strategies and priorities for issuance, compliance monitoring and enforcement of permits, as established in this MOA, may be set forth in more detail in the State 106 Workplan, a Performance Partnership Agreement (PPA), or a State/EPA Enforcement Agreement signed by the Director and the Regional Administrator. This MOA, the State 106 Workplan, the PPA, and any other State/EPA agreement(s) regarding the NPDES program shall not be in conflict.

Either the Director or the Regional Administrator may initiate an action to modify this MOA at any time. However, before this MOA may be modified, any revisions must be in writing and signed by the Director and the Regional Administrator. It is recognized that

organizational changes may occur at federal or state levels as programs evolve. The parties agree that should the contact information contained herein require revision as a result of organizational changes, this document shall remain in full force and effect without the need for modification. Rather, it is agreed that should either party make organizational change(s) that affects the contact information contained herein, revisions to the contact information shall be accomplished through written notification to the other party within thirty (30) days after such organizational change occurs.

Section II. Scope of Authorization

The Director and the Regional Administrator agree that the State of Alabama has been granted authorization to administer the NPDES permitting, compliance, and enforcement programs. The State does not exercise jurisdiction over federally-recognized Indian Tribal lands and will not be seeking such authority. Further, the State is not currently authorized for a federal biosolids management program as part of the NPDES program.

Review of New or Revised State Rules, Regulations or Statutes

Either EPA or the State may initiate a revision to the NPDES program. The State and EPA shall keep each other fully informed of any proposed modifications to its statutory or regulatory authority, forms, procedures, or priorities.

1. Revision of the State's program shall be accomplished as follows:
 - a. The State shall submit to EPA's Regional Administrator a modified program description, an Attorney General's statement, Memorandum of Agreement, or any such other documents, after consultation with the State, as EPA determines to be necessary under the circumstances. EPA will determine if the proposed revision is substantial or non-substantial.
 - b. If EPA determines that the proposed revision is substantial, EPA shall issue public notice of the proposed revision and provide an opportunity for the public to comment for a period of at least thirty (30) days. The public notice will also provide an opportunity for the public to request a public hearing.
 - c. The Regional Administrator will approve or disapprove program revisions based on the requirements of 40 C.F.R. Part 123 and the CWA. Notice of approval of a substantial change shall be published in the Federal Register. A program revision shall become effective upon the approval of the Regional Administrator.
 - d. If EPA determines the revision to be non-substantial, notice of approval may be given by letter from the Regional Administrator to the Governor or his/her designee.

- e. In order to conform with new or revised promulgation(s) of federal regulations, the State must revise its program within one year of promulgation of the new or revised federal regulations, unless the State must amend or enact a statute to make the required revision or if a State legislative process must be completed, in which case such revision shall take place within two (2) years. [See 40 C.F.R. Part 123.62(e)]
 - f. The State will provide proposed revisions to EPA in a timely manner in consideration of the date the State needs to have EPA's review completed. After conducting a preliminary review of the State's proposed revision, EPA will provide to the State an estimated schedule for completing its review. The estimated review schedule will depend on the complexity of the proposed revision. EPA will, thereafter, provide the State with quarterly updates, as appropriate, regarding the status of its review.
- 2. The State must notify EPA whenever it proposes to transfer all or any part of any program from the approved State agency to any other State agency, and must identify any new division of responsibilities among the agencies involved. The new agency is not authorized to administer the program until given approval by the Regional Administrator under 40 C.F.R. Parts 123.62(b) and (c).
 - 3. Whenever the Regional Administrator has reason to believe that circumstances have changed with respect to the State's program, he may request, and the State shall provide, a supplemental Attorney General's statement, program description, or other documents or information as are necessary.

Section III. General Provisions

The State program authorized to implement the NPDES program pursuant to the requirements of the CWA is the Alabama Water Pollution Control Act, Section 22-22-1 et seq. of the Code of Alabama and implemented by ADEM Admin. Code R. 335-6-6 et seq., and all other applicable rules of the Alabama Department of Environmental Management.

A. State Responsibilities

In accordance with the priorities and procedures established in this MOA and the State 106 Workplan, the State will:

- 1. Create and maintain the legal authority and, to the maximum extent possible, the resources required to carry out all aspects of the State NPDES program, including revisions to State program legal authorities as provided for at 40 C.F.R. Part 123.
- 2. Ensure, to the extent possible, that EPA is kept fully informed and up-to-date regarding:
 - a. Draft and final policy and program development documents related to the State NPDES program;
 - b. Draft, proposed, and final statutes, rules and/or regulations related to the State NPDES program;

- c. New case law, settlement agreements, and remands of regulations related to the State NPDES program; and
 - d. Draft, proposed, and final technical guidance and policies which pertain to the State NPDES program.
- 3. Ensure that any proposed revision of the State NPDES Program is submitted to EPA for approval pursuant to 40 C.F.R. § 123.62(b).
- 4. Process in a timely manner and propose to issue, reissue, modify, terminate, or deny State NPDES permits to the following categories of applicants as specified in 40 C.F.R. Parts 122 and 123:
 - a. Industrial, federal facilities, commercial, mining and silvicultural dischargers;
 - b. Concentrated animal feeding operations and concentrated aquatic animal production facilities;
 - c. Domestic wastewater treatment facilities, including publicly owned treatment works and privately owned treatment works; and
 - d. Storm water dischargers, including Municipal Separate Storm Sewer Systems (MS4s), and industrial storm water only dischargers.
- 5. Comprehensively evaluate and assess compliance with permit conditions (e.g., effluent limits and compliance schedules) and any applicable enforcement action as outlined in Section V of this MOA.
- 6. Maintain a vigorous program of taking timely and appropriate enforcement actions in accordance with State statutes, the CWA, 40 C.F.R. § 123.27, and as outlined in Section VI of this MOA.
- 7. Maintain an effective program to carry out the pretreatment responsibilities outlined in Section VII of this MOA.
- 8. Maintain an adequate public file(s), which must be easily accessible to EPA, for program evaluation for each permittee. Where applicable, such files must include, at a minimum, copies of:
 - a. permit application;
 - b. currently issued permit;
 - c. fact sheet or statement of basis;

- d. draft permit submitted for public notice and comment;
 - e. proposed permit when prepared;
 - f. timely public comments received orally at a public hearing or in writing;
 - g. final permit or final order of denial;
 - h. relevant discharge monitoring reports (DMRs), including whole effluent toxicity (WET), toxicity reduction evaluation (TRE), and in-stream sampling requirements;
 - i. studies supporting permit limits (e.g., wasteload allocation, total maximum daily load, site specific analysis, and in-stream sampling data);
 - j. any relevant inspection reports;
 - k. any relevant enforcement actions;
 - l. relevant Compliance Schedule Reports;
 - m. storm water related documents, including storm water management plans and pollution prevention plans received by the State;
 - n. requests for hearings, motions for reconsideration and rehearing, and any order issued by the State;
 - o. all pretreatment related documents, including the permittee's pretreatment program and annual report, as applicable;
 - p. concentrated animal feeding operation (CAFO) related documents, including nutrient management plans, if required by federal regulations; and
 - q. other pertinent information and correspondence.
9. Submit to EPA the information described in this MOA, the State 106 Workplan and applicable portions of 40 C.F.R. Part 123. Additionally, upon request by EPA, the State shall submit specific information and allow access to any files necessary for evaluating the State's administration of the NPDES program.
10. Ensure that the conditions of the draft permit are written in compliance with the applicable water quality standards of all affected states, and that all affected states are, at a minimum, provided timely notice of such draft permit and any other information requested per 40 C.F.R. § 122.44(d)(4).

B. EPA Responsibilities

1. EPA will commit, to the maximum extent possible, funding to the State to support the State's responsibilities under the NPDES program.
 2. Where no effective effluent guidelines or standards exist for a discharge, EPA is responsible for transmitting to the State technical information to assist in writing permit terms and conditions (e.g., contractor reports, draft development documents, and available permits and effluent data from similar facilities). Such information, if available, will be provided within thirty (30) calendar days of a request by the State.
 3. As outlined in Sections V, VI, and IX of this MOA, EPA will oversee the State administration of the NPDES program on a continuing basis for consistency with the CWA, State law or rules, this MOA, the State 106 Workplan, and all applicable federal regulations. In addition, EPA may consider as a part of its assessment, comments from dischargers, the public, and federal and local agencies concerning the State administration of its NPDES program. Any such comments considered by EPA will be brought to the attention of the State by written correspondence, if the commenting party has not previously communicated with the State. Any information obtained or used by the State under the NPDES program shall be available to EPA, upon request, without restriction due to claims of confidentiality. If the information has been submitted to the State under a claim of confidentiality, the State shall inform EPA of that claim. Information claimed confidential which is used to develop permit conditions will be treated in accordance with 40 C.F.R. Part 2, Subpart B and 40 C.F.R. § 122.7.
 4. Contingent on available EPA resources, EPA agrees to provide formal training courses in permit writing, compliance inspections, and enforcement.
 5. EPA will provide assistance in obtaining retrievals or entering information into the Integrated Compliance Information System for the Clean Water Act National Pollutant Discharge Elimination System (ICIS-NPDES), either of which is currently being used, hereafter, ICIS, (the successor database to the Permit Compliance System [PCS]). After initial ICIS-NPDES training by EPA Headquarters, additional support will be provided to the State upon request and as resources allow. Changes in ICIS-NPDES procedures will be provided to the State thirty (30) calendar days in advance of such change, if possible.
- C. Nothing in this MOA shall be construed to limit EPA's authority to take action under Sections 308, 309, 311, 402, 504, or any other sections of the CWA.
- D. Nothing in this MOA shall be construed to constitute or create any rights or valid defenses to regulated parties in violation of any environmental statute, regulations, or permit,

including, without limitation, any defense to an enforcement action taken by the State or EPA.

Section IV. Permit Review and Issuance

The State is responsible for drafting, providing public notice, issuing, modifying, reissuing, denying, and terminating permits in accordance with Sections III and IV of this MOA, 40 C.F.R. Parts 122-123, and any other applicable regulations.

A. Receipt of New Permit Applications by the State

Upon receipt of a completed permit application or notice of intent for coverage under an NPDES general permit, the State will enter all required information directly into ICIS-NPDES or transfer this information electronically from the State data management system to ICIS-NPDES, consistent with the schedule and commitments in the current MOA.

B. EPA Review of Draft and Proposed Permits, Permit Modifications, and Permit Revocations and Reissuances

1. EPA's initial review will be of draft permits rather than proposed permits. For purposes of this document, a "draft permit" is the permit prepared for public notice and comment indicating the State's tentative decision to issue, deny, modify, revoke and reissue, terminate or reissue a permit. A "proposed permit" is the permit as prepared following the close of the public notice and comment period and sent to EPA prior to issuance as a final permit by the State. A proposed permit need not be prepared by the State and transmitted to EPA for review unless necessary under Paragraph B.6 below.
2. EPA will review all draft State NPDES program permits, permit modifications and revocations and reissuances for those discharges identified in Paragraph C.1.a-k below. No later than the date the draft permit is available for public notice, the State will send to the Region 4, Chief, NPDES and Biosolids Permits Section, one copy of the public notice, the draft permit, the application, the fact sheet or statement of basis associated with the draft permit, and notices of public hearings. When applicable, the submittal must be accompanied by a new source/new discharger determination and, if necessary, an antidegradation review for new or expanded discharges.
3. Except as set out in Paragraph B.4. below, within thirty (30) calendar days of the date a copy of a draft permit and attachments is received by the Region 4, Chief, NPDES and Biosolids Permits Section, EPA may provide to the State written comments on, recommendations with respect to, or objections to the issuance of the draft permit. If EPA does not provide any of the above during this timeframe, the State may proceed under Paragraph B.6 below. A written objection by EPA during this initial thirty (30) day period need only set forth the general nature of the objection(s). If a general objection is provided within this thirty (30) day period, EPA shall have the remainder of the ninety (90) days from the date EPA

received the draft permit to supply written specific grounds for objection. Notwithstanding the foregoing, EPA may extend its review time on a particular permit to the full ninety (90) days, without providing a written general objection in the initial thirty (30) day period, by so notifying the State in writing. A copy of all written comments, recommendations or objections provided to the State will also be sent by EPA to the permit applicant.

4. If the initial permit information supplied by the State under Paragraph B.2 above is inadequate to determine whether the draft permit meets CWA guidelines, regulations, and requirements, EPA may request the State to transmit to EPA the complete record of the permit proceedings before the State, or any portions of the record that EPA determines are necessary for review. If this request is made within thirty (30) calendar days of receipt of the State submittal under Paragraph B.2 above, it will constitute an "interim objection" under 40 C.F.R. § 123.44(d)(2) and the full period for EPA review specified in this MOA shall recommence when the requested information is received by EPA.
5. All EPA comments and objections must be considered by the State along with any other public comments received on the draft permit. If EPA does not respond within thirty (30) calendar days of its receipt of the draft permit (or in the case of general permits, ninety (90) calendar days) or exercise its right to the full ninety (90) day review period, the State may take this absence of a response as concurrence with the draft permit and the State need not prepare a proposed permit and transmit it to EPA for review, except as provided in Paragraph B.6 below.
6. Following expiration of the period for public comment, a proposed permit will be drafted. The State may assume EPA has waived its review of the proposed permit and may issue the final permit without further review by EPA, unless
 - a. the State proposes to issue a permit which significantly differs from the draft permit as reviewed by EPA;
 - b. EPA has provided objections to the draft permit;
 - c. significant comments objecting to the tentative determination and draft permit have been presented at a hearing or in writing pursuant to the public notice; or
 - d. there were significant issues raised by a state which may be affected by the discharge.

In such a case, the State will not issue the permit and will send to Region 4, Chief, NPDES and Biosolids Permits Section, a copy of the proposed permit for review in accordance with 40 C.F.R. § 123.44. Along with the copy of the proposed permit, the State also will transmit: comments and recommendations of any

affected state; the State's response to any such comments or recommendations; significant written comments submitted pursuant to the public notice of the draft permit; a summary of any significant comments presented at any hearing on the draft permit; and the response to comments prepared under 40 C.F.R. § 124.17 and Section 22-22-1 et seq. of the Code of Alabama. EPA will, within fifteen (15) business days of the date the proposed permit and accompanying material were received, notify the State and the permit applicant of any general objections EPA has to the proposed permit or that it is extending the EPA review time on the proposed permit to the full ninety (90) calendar days to provide specific objections. If EPA does not, within this initial fifteen (15) day period, either notify the State that it has objections to the permit or that it is extending the EPA review time to ninety (90) days, then the State may issue the proposed permit as final.

7. Pursuant to 40 C.F.R. §§ 123.44(a) and (b), in the event EPA files a "general objection" to a "draft" or "proposed" permit, EPA shall have ninety (90) calendar days from the date the draft or proposed permit was received by EPA to supply the specific grounds for the objection. The specific grounds for the objection shall include the reasons for the objection, including the sections of the CWA or regulations which support the objection, and the actions that must be taken to eliminate the objection, including, if appropriate, the effluent limitations and conditions which the permit would include if it were issued by the Regional Administrator. The EPA objection must be based upon one or more of the criteria identified in 40 C.F.R. § 123.44(c). If the State fails to either request a hearing on the EPA objection or resubmit a permit revised to meet any specific objection on a proposed permit within ninety (90) calendar days of receipt of the objection, exclusive authority to issue the permit passes to EPA for one permit term. Any requests for a hearing on the objection and the procedure for resolving any objection shall be governed by 40 C.F.R. § 123.44.
8. Upon issuance of any NPDES permit for major dischargers, MS4s, CAFOs, general permits, for a discharger within any of the industrial categories listed in Appendix A to 40 C.F.R. Part 122, or for any other discharger listed in Paragraph C.1.a-k below, the State will send to Region 4, Chief, NPDES and Biosolids Permits Section, one copy of the issued permit and associated documentation. All other final permits shall be available to EPA as requested.
9. If the final determination is to deny any permit listed in Paragraph B.8 above, a copy of the notice of the intent to deny shall be given to the Region 4, Chief, NPDES and Biosolids Permits Section, and to the applicant in accordance with applicable State rules and NPDES regulations.
10. In the case of general permits, EPA shall have ninety (90) calendar days from the date of receipt of the draft general permit to comment on, make recommendations with respect to, or provide written specific grounds for an objection to the general permit.

11. EPA may request to review any applicant's notice of intent (NOI) to be covered under a general permit, subject to the State's authority under Section 22-22-1 et seq. of the Code of Alabama. EPA will, within ten (10) business days after receipt of the NOI, notify the State in writing of any formal objection, and the reason(s) for such objection, to the applicant's suitability for coverage under the general permit.
12. The lowest levels at which EPA correspondence under this Section shall be signed and received are as follows:
 - a. comments or recommendation letters shall be signed by the EPA NPDES State Coordinator and transmitted to the State's NPDES Permitting Program Manager;
 - b. letters extending EPA's review time to the full ninety (90) days shall be signed by the EPA NPDES Permits Branch Chief and transmitted to the Director; and,
 - c. all objection letters shall be signed by the EPA Water Management Division Director and transmitted to the Director.

C. Waiver of Permit Review by EPA

1. Except as hereafter expressly provided, EPA waives the right to comment on or object to the sufficiency of permit applications, draft permits, proposed final permits, and finally adopted permits for any existing discharges or proposed discharges with the EXCEPTION of the following:
 - a. discharges which may affect the waters of another state, Indian Lands, and territorial seas;
 - b. discharges proposed to be regulated by general permits, including storm water and CAFO dischargers (see 40 C.F.R. § 122.28); applicable only to review of draft, proposed, and final permits (not applicable to notices of intent [NOIs]);
 - c. discharges from publicly owned treatment works (POTWs) with a daily average permitted discharge of at least 1.0 million gallons per day (MGD);
 - d. discharges from any major discharger or a discharger within any of the twenty-one (21) industrial categories listed in Appendix A to 40 C.F.R. Part 122 for which the permit covers a wastewater source subject to a promulgated effluent guideline;
 - e. discharges of process wastewater with an average discharge exceeding 0.5 MGD;

- f. discharges from POTWs required to have a pretreatment program (40 C.F.R. Part 403);
 - g. discharges from CAFOs, not including NOIs;
 - h. discharges from MS4s, not including NOIs;
 - i. discharges of uncontaminated cooling water with a daily average discharge exceeding 500 MGD;
 - j. discharges proposed to be regulated in identified regional and/or national priorities; e.g., watersheds; a list of permits will be provided to the State only if the discharge type is not otherwise listed in Section IV.C of this MOA; and
 - k. discharges from any discharger for which the permit incorporates pollutant trading. Pollutant trading shall be developed within the framework of EPA's 2003 Water Quality Trading Policy, or any subsequently revised national policy. Pollutant trading does not include reallocation of existing loads.
2. EPA also waives the right to review the following:
- a. a modification of any permit for which the right to review the original permit was waived by EPA (unless the modification would put the permit in one of the categories in Section IV.C.1.); or
 - b. a modification of any permit which qualifies as a minor modification under 40 C.F.R. § 122.63.
3. EPA reserves the right to terminate the waivers in Paragraphs C.1 and 2 above, in whole or in part, at any time prior to a permit becoming final. Any such termination and the reasons therefore shall be sent in writing to the State.
4. The foregoing waivers shall not be construed to authorize the issuance of permits which do not comply with applicable provisions of federal or State laws, rules, regulations, or effluent guidelines, nor to relinquish the right of EPA to petition the State for review of any action or inaction because of violation of federal or State laws, rules, regulations, or effluent guidelines.

D. Public Participation

1. The State shall give public notice in accordance with 40 C.F.R. Sections 124.10(c), (d) and (e) whenever a draft permit has been prepared under 40 C.F.R. Section 124.6(d) or a hearing has been scheduled pursuant to 40 C.F.R. Section 124.12.

2. Public notice of the preparation of a draft permit shall allow at least thirty (30) days for public comment, and public notice of a public hearing, if one is determined to be appropriate, shall be given at least thirty (30) days before the hearing.
3. Draft permits, public notices, applications and fact sheets or statements of basis will be made available to any party upon request and upon payment of any applicable State duplicating fees.
4. Unless otherwise waived by the specific organization, in addition to the general public notice described in 40 C.F.R. Section 124.10(d)(1), the State will provide to the following organizations, a copy of the fact sheet or any comparable rationale, permit application (if any) and draft permits (if any) associated with the notice:
 - a. U.S. Army Corps of Engineers;
 - b. U.S. Fish and Wildlife Service (F&WS) and the National Marine Fisheries Service (NMFS) (the Services);
 - c. Other appropriate state and federal agencies;
 - d. Adjacent states and Indian Tribes (only for permits which affect them);
 - e. Major Commands of the Department of Defense (DOD) (only for DOD permits); and
 - f. The State Historical Preservation Officer (SHPO).
5. All NPDES major permits and general permits shall be publicly noticed in a manner constituting legal notice to the public under State law, in accordance with 40 C.F.R. § 124.10(c)(3).
6. The State shall provide an opportunity for judicial review in State court of the final approval or denial of permits that is sufficient to provide for, encourage, and assist public participation in the permitting process in accordance with 40 C.F.R. § 123.30.

E. State and Federal Agency Coordination: Endangered Species Act

EPA and the State agree to the following process to address issues involving federally-listed species and designated critical habitats, relative to issuance of NPDES permits.

1. The State will provide notice and copies of draft permits to the U.S. Fish and Wildlife Service and National Marine Fisheries Service (the Services), unless otherwise waived in accordance with Section D.4. The State understands that it may receive information from the Services on federally-listed species and

designated critical habitats in the State of Alabama, with special emphasis on aquatic or aquatically-dependent species. Also, EPA will share with the State information on permits that may raise issues regarding impacts to federally-listed species or designated critical habitat.

2. The State will consider issues raised by the EPA or the Services regarding federally-listed species or designated critical habitats. If EPA has concerns that an NPDES permit is likely to have more than a minor detrimental effect on federally-listed species or designated critical habitats, EPA will contact the State to discuss identified concerns.
3. If the State is unable to resolve issues raised by the Services involving detrimental effects of an NPDES permit on federally-listed species or designated critical habitats, and if the Services have contacted EPA, EPA intends to work with the State to remove or reduce the detrimental effect. EPA will coordinate with the State and the Services to ensure that the permit will comply with all applicable water quality standards, which include narrative criteria prohibiting toxic discharges, and will discuss appropriate measures protective of federally-listed species and designated critical habitats.
4. EPA will provide the Services with copies of any comments it provides to the State on issues related to federally-listed species or designated critical habitat.
5. The State will comply with applicable federal laws in accordance with 40 C.F.R. §124.59.

F. Issuance of Permits or Notice of Intent to Deny for All Permit Categories in Section C.1.a-k.

1. If the final determination is to issue the permit, the final permit will be forwarded to the permit applicant, along with a transmittal letter notifying the applicant that the permit is being issued. Copies of all issued permits, identified in Section C.1.a.-k., will be forwarded to EPA.
2. If the final determination is to deny the permit, notice of intent to deny shall be given to the Region 4, Chief, NPDES and Biosolids Permits Section, and to the applicant in accordance with applicable State rules and NPDES regulations.

G. Suspension or Revocation of Permits for all Permit Categories in Section C.1.a-k.

When the State makes a determination to suspend or revoke a permit, in whole or in part, EPA will be notified.

H. Major Discharger List

There shall be included as part of the State 106 Workplan a list of what constitutes a major discharger. Currently, the State 106 Workplan includes an industrial major discharger list and a municipal major discharger list. The industrial major discharger list shall include those facilities and Phase 1 MS4¹ dischargers, mutually defined by the State and EPA as major dischargers based on a point rating worksheet or applicable definitions plus any additional industrial dischargers whose discharges, in the opinion of the State or EPA, have a high potential for violation of water quality standards. The municipal major discharger list shall include those facilities mutually defined by the State and EPA as major municipal discharges based on a design domestic treatment plant flow of at least 1.0 MGD, case-by-case exclusions due to actual discharge flows to surface waters may be considered.

¹ Phase 1 MS4s are defined by the lists in 40 C.F.R. Part 122.26 Appendices F, G, H and I.

I. Administrative or Court Action

If the terms of any permit, including any permit for which review has been waived by EPA, are affected in any manner by an administrative or court action, the State shall timely transmit a copy of the permit, with changes identified to the EPA and shall allow thirty (30) calendar days for EPA to review, comment on, or make written objections to the changed permit pursuant to CWA Section 402(d).

J. Technology-Based Variances

The State will conduct an initial review of all requests for Fundamentally Different Factors (FDF) variances, for variances under CWA Sections 301(c), (g), and (k), and 316(a), and for modifications to federal effluent limitations established under CWA Section 302, i.e., technology-based variances, and shall either approve or deny such requests. As needed, EPA will provide technical assistance to the State to evaluate the variance request.

1. If the State denies a request for a technology-based variance under CWA Sections 301(c) or (g), Section 302, or for FDFs, such determination shall be forwarded to the applicant and EPA.
2. If the State approves a technology-based variance (approval), the request, all accompanying documentation, and the State's approval shall be sent to EPA. EPA will provide quarterly updates regarding the status of its review of each submitted request to the State, until a final decision is made.
3. If EPA denies the State's approval, EPA will notify the State, who will notify the applicant. No technology-based variance may be included in an NPDES permit unless the State's approval has been signed-off by EPA. If EPA concurs with the State's decision, EPA will notify the State, who will prepare a draft permit factoring in the approval.
4. The State may continue processing the permit application while awaiting EPA's review and decision on the variance request. If the State proposes to issue the

permit prior to EPA's decision, the permit must be drafted with the technology-based limits from which the applicant has requested a variance. If EPA approves the variance, the permit may be modified to incorporate the variance.

5. Approval by the State and by EPA for a given technology-based variance is only valid for the current permit term. Upon permit renewal, the technology-based variance must be reapplied for and reviewed once again by both the State and by EPA.

K. Variances or Other Changes to Water Quality Standards Specific to a Permit

The State will conduct an initial review of all requests for variances or other changes to water quality standards specific to a permit, allowed under CWA Section 303(c) and 40 C.F.R. Part 131, and either deny the request or adopt the variance. Examples of other changes to water quality standards include site-specific criteria, criteria changed based on recalculation procedures, and criteria changed based on a combination of recalculation procedures and Water-Effects Ratios (WERs). Examples that are not changes to water quality standards include mixing zones and WERs that are not in combination with a recalculation procedure. As needed, EPA will provide technical assistance to the State to evaluate the variance request.

1. If the State denies a request for a variance or other changes to water quality standards specific to a permit, such determination shall be forwarded to the applicant and EPA.
2. If the State adopts a variance or other change to water quality standards specific to a permit (adoption), the request, all accompanying documentation, and the State's adoption (i.e., the revised standard) shall be sent to the EPA's Standards, Monitoring, and TMDL Branch for review. (See 40 C.F.R. Sections 131.6 and 131.20(c) for the requirements for this submittal) The CWA requires that EPA approve changes to water quality standards within sixty (60) days and disapprove them within ninety (90) days. EPA will provide quarterly updates regarding the status of its review of the adoption to the State, until a final decision is made.
3. If EPA disapproves the adoption, EPA will notify the State, who will notify the applicant. If EPA approves the adoption, EPA will notify the State, who will prepare a draft permit factoring in the adoption. No effluent limitations based on a variance or other change to water quality standards may be included in an NPDES permit unless the variance or other change to standards has been approved by EPA. One exception to this is the case where the revised standard results in a more stringent criterion and effluent limitation than the previously applicable water quality standard.
4. The State may continue processing the permit application while awaiting EPA's review and decision on the revised standard. If the State proposes to issue the permit prior to EPA's decision, the permit must be drafted with the effluent limits

necessary to achieve the existing water quality standard(s) from which the applicant has requested a variance. If EPA approves the revised standard, the permit may be modified to incorporate that standard. Any variance from water quality standards specific to a permit must be re-evaluated by the State at each triennial review of water quality standards. [See 40 C.F.R. Section 131.20(a).]

Section V. Compliance Monitoring and Evaluation Program

The State agrees to maintain an effective compliance monitoring and evaluation program. For purposes of this MOA, the term "compliance monitoring and evaluation" shall refer to all efforts to assess whether all dischargers are in full compliance with laws and regulations constituting the State NPDES program, including any permit condition or limitation, any compliance schedule, any pretreatment standard or requirement, or any previous administrative or judicial enforcement action. Discharges endangering public health shall receive immediate and paramount attention. The State will operate a timely and effective compliance monitoring system to monitor and track compliance by dischargers with their permit conditions (e.g., effluent limits and compliance schedules) and any applicable enforcement action. The State will directly enter or upload the compliance monitoring and evaluation data on a schedule as required in the State 106 Workplan into ICIS-NPDES. Compliance monitoring shall focus on major dischargers and those other dischargers or types of dischargers identified in the State 106 Workplan in accordance with the priorities and time frames for compliance tracking as established in this MOA and as further delineated in the State 106 Workplan. All compliance monitoring and evaluation activities shall be undertaken in such a manner that, if the situation requires, will lead to timely, appropriate and effective enforcement actions as outlined in Section VI. As indicated in Section III.A. of this MOA, the State shall maintain complete records of all material relating to the compliance status of dischargers within the State, including Compliance Schedule Reports, DMRs, Compliance Inspection Reports, any other reports that permittees may be required to submit under the terms and conditions of a State permit or an approved pretreatment program (when applicable), and documents related to any administrative or judicial enforcement action.

A. Schedule Dates

The State will track the submission of all documents required pursuant to permit conditions or schedules, or any applicable administrative or judicial enforcement actions. In order to determine a discharger's compliance status, the State will conduct a timely and substantive review of all such submitted documents and consider enforcement action in the event a required document is not timely submitted or is otherwise inadequate.

B. Review of Self-Monitoring Information and Other Compliance Reports

1. For all major dischargers and those other dischargers or types of dischargers identified in the State 106 Workplan, the State will update ICIS-NPDES in accordance with sub-paragraph B.3 below with the information necessary to determine if:

- a. any required self-monitoring reports (including DMRs or other reports required to be submitted pursuant to a permit or an applicable administrative or judicial enforcement action) are submitted on time;
 - b. the submitted reports are complete; and
 - c. the permit conditions (e.g., effluent limits and compliance schedules) or requirements of an applicable administrative or judicial enforcement action are met.
2. The State will conduct a timely and substantive review of all such reports received and all independently gathered information to evaluate the discharger's compliance status. This evaluation will be uniform and consistent with the Enforcement Management System (EMS) as referenced in Section V.E.
3. The State will ensure that monitoring and evaluation data are entered directly into ICIS-NPDES or into a data management system which is uploaded into ICIS-NPDES. Data entry and accuracy rates will be as established in the State 106 Workplan.
4. DMR forms or electronic versions thereof, for any monitoring data required by an NPDES permit (or the NPDES portion of a State permit), shall be consistent with the requirements of 40 C.F.R. § 122.2.
5. Pursuant to 40 C.F.R. § 122.2, EPA may object in writing to deficiencies in reporting forms used by permittees or the State. The State will ensure that deficiencies identified by EPA are adequately addressed.
6. For all major dischargers subject to regulation under Section 402 of the CWA, the State will submit, on a quarterly basis, an automated Quarterly Noncompliance Report (QNCR) with appropriate annotations for all instances of non-compliance as set forth in 40 C.F.R. § 123.45. The QNCR shall include the information set forth in 40 C.F.R. § 123.45 including:
 - a. Facility name, location, and permit number;
 - b. Description and date history of each noncompliance;
 - c. Description of and dates of actions by the State to obtain compliance;
 - d. Current compliance status (including date of resolution or return to compliance if it has occurred); and
 - e. Mitigating circumstances

The State agrees to utilize ICIS-NPDES to produce the automated QNCR with hand-written annotations, if necessary. EPA agrees to provide assistance in generating these automated QNCRs. Per 40 C.F.R. § 123.45(d), the State shall submit the QNCR on November 30th, February 28th, May 31st, and August 31st of each year. Dates are dependent upon ICIS-NPDES.

7. On a quarterly basis, EPA will generate for the State's review a list (e.g., the Watch List) of facilities which appear to be in non-compliance based on certain EPA selection criteria. The State will confer with EPA concerning data correction, if applicable, and/or the appropriate enforcement response for these facilities. The State will advise EPA if the State has already initiated enforcement.
8. EPA will from time to time review ICIS-NPDES data against source documents (DMRs, inspection records, enforcement actions, etc.) to verify the accuracy of the ICIS-NPDES data and the QNCRs.
9. In accordance with 40 C.F.R. § 123.26(b)(4), the State shall maintain procedures for receiving and ensuring proper consideration of information about alleged violations submitted by the public.
10. 40 C.F.R. § 123.45(b) requires the submission of a Semi-Annual Statistical Summary Report (SSSR) containing information concerning the number of major dischargers with two (2) or more violations of the same monthly average limitation within a six (6) month period. EPA will generate the SSSR from ICIS-NPDES bi-annually for the periods ending June 30th and December 31st and provide the draft to the State on August 31st and February 28th, respectively, for review and submission.
11. 40 C.F.R. § 123.45(c) requires the submission of an Annual Noncompliance Report (ANCR) containing information concerning the number of non-major discharges in noncompliance. EPA will generate the ANCR annually from ICIS-NPDES and provide the draft to the State by the last day of February for review and submission.
12. EPA shall provide the State notification of citizen complaints through a phone call, email message, or copy of the written complaint. EPA will provide the State a copy of any EPA response.

C. Facility Inspections

1. **Types**
The different types of compliance inspections are described in the Foreword of the latest edition of EPA's *NPDES Compliance Inspection Manual*. The manual may be found at EPA's website.

2. General Procedures

In accordance with the requirements contained in 40 C.F.R. § 123.26, the State shall maintain and implement an inspection and surveillance program to determine the compliance status of dischargers independent of information supplied by dischargers. The State and EPA will develop, as part of the State 106 Workplan, an inspection plan of individual major dischargers proposed to be the subject of compliance audits and inspections and a projection of the number of minor dischargers to be inspected for the coming year (October through September). The inspection plan is a living document and may be amended at any time dependent on priorities of and in consultation with EPA and the State. Unless otherwise agreed to by EPA in writing, the State shall conduct compliance inspections as provided for in the State 106 Workplan. The State will give EPA adequate notice and opportunity to participate with the State in its inspection activities. EPA or the State may determine that additional inspections are necessary to assess compliance. If EPA makes a determination that additional inspections are necessary or appropriate, EPA shall notify the State of such determination and after adequate notice to the State may perform the inspections alone or jointly with the State or may request that the State conduct those inspections. EPA will keep the State fully informed of its plans and the results of any inspections. Pursuant to 40 C.F.R. § 123.24(b)(4)(i), EPA will provide the State at least seven (7) calendar days notice before a joint or independent inspection is conducted unless extraordinary circumstances warrant otherwise. The lead agency on any joint inspection is responsible for all planning, logistics, recordkeeping, reports, and follow-up relative to the joint inspection.

3. Reporting Schedule

The State will ensure data entry of necessary inspection information, including violations detected which will cause the facility to be in SNC, into ICIS-NPDES in accordance with and on a schedule established in the State 106 Workplan. All inspections reports will be thoroughly reviewed by the State to determine what, if any, enforcement action (as outlined in Section VI of this MOA) shall be initiated. The State will forward copies of inspection reports to EPA upon request. All reports for inspections conducted by EPA will be reviewed by EPA to determine what, if any, enforcement action shall be initiated. EPA will be responsible for entering the data into ICIS-NPDES for any inspections it conducts independent of the State. Where an audit or inspection is conducted solely by EPA, a copy of the audit or inspection report will be forwarded to the State at the time it is transmitted to the audited or inspected facility.

4. Biomonitoring Inspections

Except as otherwise set forth in the State 106 Workplan, the State shall have the ability to conduct biomonitoring inspections, have them conducted through designated contractors, or have an equivalent program to independently verify a discharger's compliance with the WET requirements of its permit.

D. Miscellaneous Compliance Activities

1. **Information Requests**

Whenever EPA or the State requests information from the other concerning a specific discharger and the requested information is not available from the files, that information will be researched and, if possible, provided to the requesting agency within a reasonable time.

2. **Laboratory Quality Assurance**

The State will plan, initiate, and maintain a program as provided in the State 106 Workplan to ensure that laboratories doing work for the State permitted dischargers follow approved quality assurance protocols.

3. **Emergency Pollution Incidents**

EPA and the State shall immediately notify each other by telephone or through a mutually agreed upon emergency response protocol upon receipt by EPA or the State of any information concerning a situation which in its opinion poses an actual or threatened pollution incident that may result in endangerment to human health or the environment. The State shall also ensure that all potentially affected downstream drinking water intake facilities are notified of the situation (including notification across state lines when applicable) so that they can take appropriate actions to minimize risk to the public. The State shall be notified at (334) 271-7700 (staffed by ADEM) between the hours of 7 a.m. through 5 p.m. CST, or at 1-800-843-0699 (staffed by the Alabama Emergency Management Agency) after 5 PM and before 8 a.m. CST. The EPA shall be notified by telephone at (404) 562-8700 (Region 4 Emergency Response Section/Waste Management Division) or (800) 424-8802 (National Response Center, Washington, DC).

E. Enforcement Management System (EMS)

Within one-hundred and twenty (120) calendar days of the execution of this MOA or as otherwise established in the State 106 Workplan, the State shall submit to EPA for review and comment a current EMS. The EMS is a document outlining procedures, policies, etc., to be used by the State in conducting official business (e.g., inspections, enforcement actions, assessment of penalties, etc.). Such procedures and policies with respect to enforcement shall be consistent with EPA's "Enforcement Response Guide" for the NPDES program and shall include application of technical review criteria for screening the significance of violations, procedures and time frames for selecting appropriate initial and follow-up response options to identified violations, and procedures for maintaining a chronological summary of all violations. The State shall implement the EMS. The State agrees to submit any changes to the EMS to the EPA Region 4, Water Programs Enforcement Branch for review and comment.

Section VI. Enforcement

A. Timely and Appropriate Enforcement Responsibility by the State and EPA

1. The State is responsible for commencing and completing timely and appropriate enforcement action (as set forth in this Section) against dischargers in violation of the laws and regulations constituting the State NPDES program, including any permit conditions or limitations, compliance schedules, pretreatment standards or requirements, or previous administrative or judicial enforcement actions. This responsibility encompasses violations detected through any means including, without limitation, the compliance monitoring activities set forth in Section V above.
2. A State enforcement action shall be considered timely and appropriate if it:
 - a. Addresses all identified violations of the laws and regulations constituting the State NPDES program and Sections 301, 302, 306, 307, 308, 318, 402, or 405 of the CWA including, without limitation, discharging without a required permit and violations of effluent limitations, pretreatment standards and requirements, compliance schedules, all other permit conditions, or any previous administrative or judicial enforcement action;
 - b. Seeks or imposes, where appropriate, penalties consistent with 40 C.F.R. § 123.27 and the factors set forth in Sections 309(d) and 309(g)(3) of the CWA and applicable State statutes;
 - c. Adequately addresses the injunctive relief necessary to bring the discharger back into compliance within a reasonable period of time and pursuant to an appropriate schedule which contains interim milestones necessary to measure the progress towards a final compliance date;
 - d. Is commenced and completed within the time frames set forth in this Section VI.A; and
 - e. Is consistent with the other provisions of this Section VI.A.
3. In the case of a violation by a major discharger, or other dischargers or types of dischargers identified in the State 106 Workplan, or for a violation that would cause a facility to be in SNC, the State will determine within thirty (30) days the appropriate initial response to the violation. Where the State has determined an enforcement action is appropriate, it shall commence such appropriate enforcement action within thirty (30) calendar days of its determination of the initial response. This response shall be documented in the compliance and/or enforcement file within sixty (60) days of identification of the violation. It is recognized that a definition for SNC has not been developed for conventional minors, storm water, CAFOs, SSOs or CSOs. Therefore, as definitions for SNC

are developed for these categories, the timelines for initial response will be established in the State 106 Workplan. The date of identification of the violation is the point at which the State enforcement staff learns of the violation. The State shall make every effort to pursue and complete all the enforcement actions it takes within a reasonable amount of time.

4. Enforcement actions determined to be appropriate by the State with respect to any violations other than those identified in Paragraph A.3. above, while generally given lower priority, should be commenced and completed within a reasonable amount of time.
5. If an initial response action by the State proves not to be effective in bringing the discharger into compliance within the required or a reasonable time period, timely and appropriate enforcement action requires that the State or EPA shall follow up with other, more significant enforcement mechanisms to achieve timely and appropriate compliance.
6. For violations which present an imminent and substantial endangerment to the health, safety, or welfare of the public or to the environment of the State, the State shall take timely and appropriate enforcement action to effect the immediate correction of the violation which may include, but not be limited to, a complaint for injunctive relief under Alabama Code (1975) Section 22-22A-5(19) or an immediate final order pursuant to Alabama Code (1975) Section 22-22A-5(18). Such action shall be taken as soon as possible after the State or EPA makes a determination that the condition or activity is of a nature which, if not abated, may pose an imminent and substantial endangerment to the health, safety, or welfare of the public (when appropriate, such action should be taken within ten (10) calendar days from the initial notification to the State of the condition or activity).
7. Copies of all formal enforcement and penalty actions issued against all dischargers shall be submitted to EPA upon request.
8. In accordance with 40 C.F.R. § 123.24(b)(3), the State shall retain records that demonstrate that its enforcement procedures result in: appropriate initial and follow-up response and enforcement actions that are applied in a uniform and timely manner; enforcement actions that clearly define what the discharger is expected to do by a reasonable date certain pursuant to an appropriate schedule which contains interim milestones necessary to measure the progress towards final compliance; and the assessment of a civil penalty, when appropriate, based on the consideration of factors set forth in Sections 309(d) and 309(g)(3) of the CWA, or factors established in a State penalty policy and applicable State statutes consistent with Sections 309(d) and 309(g)(3) of the CWA, and in an amount appropriate to the violation. Such records would include penalty calculations and/or penalty rationale.

B. EPA Actions

1. The *Revised Policy Framework for State/EPA Enforcement Agreements*, signed by then Deputy Administrator A. James Barnes on August 25, 1986 (the 1986 Policy), sets forth the expectations for the working relationship between EPA and States in the compliance and enforcement program. It outlines a "no surprises" approach to partnering with States to enforce environmental statutes and regulations. The policy identifies some criteria and examples of instances when it makes sense for EPA to play a major role, and where federal resources, expertise and authorities can be critical to achieving a comprehensive and effective resolution of violations. Examples of instances where direct federal action is appropriate include the following: (a) a State or local agency requests EPA action; (b) a State or local enforcement response is not timely and appropriate; (c) national precedents (legal or program) are involved; (d) there has been a violation of an EPA order or consent decree; and (e) federal action would support the broader national interest in deterring noncompliance. Factors EPA will consider in deciding whether to take direct enforcement in the above type cases include: (a) cases specifically designated as nationally significant (e.g., significant noncompliers; explicit national or regional priorities); (b) significant environmental or public health damage or risk involved; (c) significant economic benefit gained by the violator; (d) inter-State issues; and (e) repeat patterns of violations and violators.
2. EPA will verify and determine the timeliness and appropriateness of State enforcement actions. In instances where EPA determines that the State has not commenced or has not completed a timely or appropriate enforcement action for violations by any discharger in accordance with Section VI.A, above, EPA may proceed with any or all enforcement options available under the CWA against the discharger in violation.
3. Pursuant to Section 309(a)(3) of the CWA, EPA may take direct enforcement action as the Agency deems appropriate. EPA generally will provide the State with advance notice at an appropriate management level prior to taking a direct federal action. This notice can be written, electronic (email), or by a telephone call. EPA will provide and the State will provide, upon request, each other with copies of any enforcement actions taken. Early and full communication and coordination between EPA and the State, (e.g., early notification of inspections, the basis of and intent for enforcement actions prior to initiation of any action, and other information sharing) have proven very effective in resolving compliance and enforcement matters. The parties to this agreement recognize that issues of imminent and substantial endangerment and criminal cases may present special circumstances and may not permit the same level of pre-filing coordination.

C. Appropriate Involvement of the State Office of General Counsel (OGC) or the Attorney General (AG)

The State will establish procedures for routine coordination on enforcement cases between the State and the appropriate legal resources within the State such as the State Office of General Counsel (OGC) and/or the State Attorney General (AG), including notification of proposed enforcement actions and general time frames for actions from case referral to filing.

D. Nothing in this agreement should be construed to constitute or create a valid defense to regulated parties in violation of environmental statutes, regulations, or permits.

Section VII. Pretreatment

This Section is intended to supplement the requirements of the other Sections of this MOA so as to define the State and EPA responsibilities for establishment and enforcement of the National Pretreatment Program under Sections 307(b) and (c) and 402 of the CWA and EPA policies and guidance. To the extent the specific requirements set forth below are inconsistent with requirements in other Sections of this MOA, the specific requirements in this Section shall control.

A. General Program

The State has primary responsibility for ensuring:

1. Enforcement against sources introducing pollutants prohibited by 40 C.F.R § 403;
2. Application and enforcement of ADEM Admin Code R.335-6-5 and the National Categorical Pretreatment Standards (NPS) established by EPA in accordance with Section 307 of the CWA;
3. Submittal of industrial user (IU) reports in accordance with 40 C.F.R. § 403.12.

B. Permitting

1. The State shall control through permits, all significant IUs which do not discharge to an approved POTW program which issues a permit. The State shall issue these permits in accordance with 40 C.F.R. § 403.8 and consistent with EPA's *Industrial User Permitting Guidance Manual* (September 1989).
2. Section 403.6(a) NPS Categorical Standards. The State shall review requests from IUs for industrial category or subcategory determinations received within sixty (60) calendar days after the effective date of an NPS for a subcategory under which an IU believes itself to be included and prepare a written determination and justification as to whether the IU does or does not fall within that particular subcategory. The State shall forward its findings together with a copy of the

request and necessary supporting information to the EPA, Region 4 Water Programs Enforcement Branch Chief for concurrence. If EPA does not modify or object to the State proposed findings within sixty (60) calendar days after receipt thereof, the State may take action approving or denying the request.

3. Section 403.7 Removal Credits. The State shall review POTW applications for removal credits for IUs who are or may be subject in the future to NPS. The State findings together with application and supporting information shall be submitted to the EPA Region 4 Water Programs Enforcement Branch Chief for review. No removal credits request shall be approved by the State if, during the thirty (30) calendar days (or extended) evaluation period provided for in 40 C.F.R. § 403.11(b)(1)(ii) and any hearing held pursuant to 40 C.F.R. § 403.11(b)(2), the EPA objects in writing to the approval of such a submission.
4. Section 403.13 Variances From Categorical NPS for Fundamentally Different Factors (FDF). The State shall make an initial finding on all requests from IUs for variances from categorical NPS for FDF and, in cases where the State supports the variance, shall submit its findings together with the request and supporting information to the EPA Region 4 Water Programs Enforcement Branch Chief for a final review. The State will not grant a FDF request until written concurrence has been received from EPA. The State can deny requests for FDF without EPA review.

C. Compliance Monitoring

1. The State shall carry out independent inspection, surveillance and monitoring procedures in accordance with 40 C.F. R. § 403.8 which will determine compliance or noncompliance with pretreatment conditions in IU permits issued by the State.
2. The State, as the Control Authority, will establish procedures and time frames for effective monitoring of IUs of POTWs consistent with 40 C.F.R. §§ 403.8(f) and 403.10(e). Included shall be procedures and time frames for reviewing monitoring reports including reports submitted by categorical and significant IUs.
3. The State shall also keep an updated inventory of all categorical users and significant IUs which it permits. The State, as the Control Authority, is responsible for inspecting and sampling IUs at least once per year consistent with 40 C.F.R. § 403.8(f)(2)(v).
4. The State shall provide EPA with the following information, as well as any other information required by the State 106 Workplan:
 - a. An annual report of implementation;
 - b. A pretreatment facility inspection and sampling plan;

- c. A noncompliance report for all Significant Industrial Users (SIUs) to include:
 - (1) facility name;
 - (2) location and permit number;
 - (3) description and date history for each noncompliance;
 - (4) description of State actions and dates of State actions to obtain compliance;
 - (5) current compliance status, including date of resolution or return to compliance date; and
 - (6) mitigating circumstances.

D. Enforcement

1. The State will have enforcement response procedures and time frames for permitted IUs consistent with the *Pretreatment Compliance Monitoring and Enforcement Guidance*. This includes reporting all the State regulated POTWs (including minor POTWs with approved pretreatment programs) on the QNCR when reportable noncompliance (RNC) and SNC criteria are met. These procedures will include initiating appropriate enforcement action where POTWs fail to submit approvable pretreatment programs, have violations of State pretreatment requirements, or fail to submit timely reports. The State also will have procedures for evaluating whether POTWs are initiating appropriate enforcement responses to violations by IUs. Where POTWs are not the primary control authorities, the State is directly responsible for having these procedures in place for categorical and significant non-categorical IUs in accordance with 40 C.F.R. § 403.8(f)(2). These procedures will be reviewed annually.
2. The State will ensure that, at least annually, significant violations by permitted IUs are public noticed in accordance with 40 C.F.R. § 403.8(f)(2).

Section VIII. Transfer of Files from EPA to State upon Subsequent Program Authorization

Upon approval of any subsequent NPDES Program modification for additional NPDES Program coverage by the Regional Administrator, EPA will immediately deliver to the State all project files for pending permit applications proposed for issuance/reissuance. Project files shall include all relevant information including but not limited to, application forms, correspondence, draft permits, public notices, fact sheets, Statements of basis, and any other documents relating to the pending permit. EPA will ensure all project files are complete prior to delivery to the State.

EPA will deliver files for all other permits to the State in accordance with a mutually agreed upon schedule. Files shall contain all relevant information pertaining to the issuance of the permit as well as copies of all DMRs, all compliance reports, all enforcement actions, and other pertinent information and correspondence. EPA will ensure all files are complete prior to delivery to the State.

Section IX. Program Review

The State and EPA are responsible for ensuring that the State NPDES program is consistent with all requirements of this MOA, the State 106 Workplan, and applicable sections of 40 C.F.R. Parts 122-125 and 40 C.F.R. Parts 140 and 403.

A. To ensure that these requirements are fulfilled, EPA shall:

1. Review the information transmitted to the State to ensure that all the requirements of State officials annually, as funds allow, to observe the data handling, permit processing, compliance monitoring, and enforcement procedures, including both manual and automated data processing.
2. Examine in detail the State files and documentation of selected dischargers to determine whether:
 - a. Permits are processed and issued consistently with federal requirements;
 - b. Easy capability exists to discover permit violations when they occur;
 - c. The State compliance reviews are timely; and
 - d. The State enforcement actions are timely, appropriate and effective. These detailed file audits shall be conducted by EPA in the appropriate State office annually, as funds allow. The State shall be notified thirty (30) calendar days in advance of the audit so that appropriate State officials may be available to discuss individual circumstances and problems with EPA. A copy of the audit report shall be transmitted to the State when available.
3. Implement the requirements of the State Review Framework. EPA, in concert with the Environmental Council of States (ECOS), has developed a State Review Framework that evaluates the performance of State enforcement programs. The Framework has a suggested menu of potential benefits that may be negotiated with a State that has demonstrated adequate performance, and a suggested menu identifying enhanced oversight that a region might conduct when State performance needs to be improved. This negotiation may result in more or less EPA/State interaction regarding the State's enforcement program in the future. Until the State has undergone the first review cycle of the Framework, and until that review results in an agreement between EPA and the State to a different approach, the enforcement program review will be conducted as outlined in

Section IX.1.a., b, and c above. In the year the initial review is conducted, EPA will avoid duplication with the overall NPDES program review.

4. Determine the need for (and to hold) public hearings on the State NPDES program.
- B.** Prior to taking any action to propose or effect any amendment, recission, or repeal of any statute, rule, or directive which has been approved by EPA in connection with the State NPDES program; any action to modify program approval documents (e.g., MOA, Program Description or Attorney General's/Independent Counsel's Statement); or any action to transfer all or any part of the approved State NPDES program to another State agency or instrument, the State shall notify the Regional Administrator and shall transmit the text of any such change to the EPA, Region 4 NPDES and Biosolids Permits Section for review and approval pursuant to 40 C.F.R. § 123.62(b). The State shall keep EPA fully informed of any proposed modification or court action which acts to amend, rescind or appeal any part of its authority to administer the NPDES program. EPA acknowledges that the State has no veto authority over acts of the State legislature and, therefore, reserves the right to initiate procedures for withdrawal of the State NPDES program approval in the event that the State legislature enacts any legislation or issues any directive which substantially impairs the State ability to administer the NPDES program or to otherwise maintain compliance with NPDES program requirements.
- C.** A permittee shall obtain the approval of the Regional Administrator pursuant to 40 C.F.R. Part 136 before seeking authority from the State for the use of any alternative test method under ADEM Admin. Codes R. 334-6-6 and 335-6-5, that has not already been approved by EPA for sampling/analyzing the quality of the discharge from a facility permitted under Alabama Water Pollution Control Act, Section 22-22-1 et seq of the Code of Alabama and implemented by ADEM Admin. Code R. 335-6-6 et seq.

Section X. Computations of Time

In computing any period of time prescribed by this MOA, the day from which the designated period of time begins to run shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday, or legal holiday, in which case the period extends until the next day which is not a Saturday, Sunday or legal holiday.

Section XI. Approval and Effective Date of MOA

This MOA shall take effect on the date of execution by the last signatory. If the Regional Administrator determines that any provision of this MOA does not conform to the requirements of the CWA, to the requirements of 40 C.F.R. Parts 122-125, or to any other applicable federal regulations, the Regional Administrator shall notify the State, in writing, of any proposed revision or modification which must be made to this MOA. Any proposed revision must be in writing and signed by the Director and the Regional Administrator before it becomes effective.

March 19, 2008
DATE

ONIS "TREY" GLENN, III, P.E.
Director
Alabama Department of Environmental
Management

APR 11 2008

DATE

J. I. PALMER, JR.
Regional Administrator
U.S. Environmental Protection Agency, Region 4



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

**ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960**

AUG 26 2015

Mr. Lance R. LeFleur
Director
Alabama Department of Environmental Management
1400 Coliseum Boulevard
Montgomery, Alabama 36110-2400

RE: Amendment to the NPDES Memorandum of Agreement between the State of Alabama and the U.S. Environmental Protection Agency Region 4

Dear Mr. LeFleur:

The United States Environmental Protection Agency and our state partners are charged with the responsibility of collecting and managing information and data integral to the Clean Water Act (CWA) National Pollutant Discharge Elimination System (NPDES) program. On September 24, 2015, the EPA finalized the CWA NPDES e-Reporting Rule, which became effective on December 21, 2015. It is critical that federally delegated state NPDES programs have robust NPDES data management systems in place to implement the e-Reporting Rule. The Rule creates a federal regulatory requirement for electronic submissions by NPDES permittees of NPDES data identified in Appendix A of 40 CFR § 127. In addition, the Rule requires that the Memorandum of Agreement (MOA) with the Regional Administrator be modified to include provisions to implement electronic sharing and transmission of required reports and data with the EPA.

The purpose of this letter is to transmit an Amendment to the NPDES MOA between the State of Alabama and the EPA Region 4. The amendment adds specific language regarding electronic reporting of data to ensure authorized NPDES programs are fully and correctly implementing NPDES electronic reporting and data sharing requirements consistent with 40 CFR § 127. My staff in the Water Protection Division has discussed the e-Reporting Rule with your management team in the NPDES program and they are aware of the requirements in the Rule to update the MOA. We shared a copy of the proposed amendment with the state programs and discussed it with them on a monthly state call. We are willing to have further discussions with them if that is your preference before you sign the enclosed document. Otherwise, we request you sign both copies of the MOA signature page and return them to our office. This Amendment to the MOA becomes effective upon your receipt of the signed agreement.

We would like to bring to your attention that 40 CFR § 127 requires NPDES-authorized states to submit certain information by a specific date. Two dates identified in the enclosed Amendment to the MOA having deadlines in 2016 include:

September 21, 2016:

- Transmit initial data for Phase I

December 21, 2016:

- Submit implementation plan for Phase 2 electronic reporting
- Implement electronic reporting tools and begin sharing Phase 1 data

- Complete necessary regulatory changes in your state to authorize implementation of e-Reporting Rule; if your state requires statutory changes, the deadline is extended until December 21, 2017.

The EPA is committed to working with your staff to implement the e-Reporting Rule. If your staff have any questions about implementing the e-Reporting Rule or if you would like us to have further discussions with your staff before signing the amendment to the MOA, please contact Ms. Molly Davis of my staff at 404-562-9236 or via email at Davis.Molly@epa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Anne Heard". The signature is fluid and cursive, with a large initial "V" and a stylized "A".

V. Anne Heard
Acting Regional Administrator

Enclosure

AMENDMENT TO NPDES MEMORANDUM OF AGREEMENT

The transition from paper-based to electronic reporting will require close coordination and cooperation between the EPA and authorized NPDES programs. Accordingly, the final NPDES Electronic Reporting Rule added new language to the EPA's Memoranda of Agreement regulations (40 CFR 123.24) to ensure that authorized NPDES programs are fully and correctly implementing NPDES electronic reporting and data sharing requirements (see 22 October 2015; 80 FR 64064).

The Memorandum of Agreement between the United States Environmental Protection Agency, Region 4 (hereinafter EPA) and the State of Alabama is hereby amended to include the State's responsibilities for implementation of the NPDES Electronic Reporting Rule (40 CFR part 127) as follows.

Electronic Reporting and Data Sharing Requirements

1. Any information obtained or used in the administration of Alabama's NPDES program shall be available to the EPA upon request without restriction. This includes the timely data transfers in compliance with all requirements of 40 CFR parts 3 and 127 (including all the data elements in appendix A to part 127). If the information has been submitted to the Alabama Department of Environmental Management (ADEM) under a claim of confidentiality, the State must submit that claim to the EPA when providing information under this section. Any information obtained from ADEM and subject to a claim of confidentiality will be treated in compliance with the regulations in 40 CFR part 2. If the EPA obtains information from ADEM which is not claimed to be confidential, the EPA may make that information available to the public without further notice.
2. The State has the responsibility for the information that they electronically transfer to the EPA. Therefore, ADEM will use reasonable quality assurance and quality control procedures to ensure the quality of the NPDES information (see 40 CFR 127.22). These electronic data transfers to the EPA will be timely, accurate, complete, and consistent (see 40 CFR 127.23) and compliant with EPA's Cross-Media Electronic Reporting Rule (40 CFR 3).
3. ADEM will electronically transfer the minimum set of NPDES data to the EPA (see Appendix A to part 127) on a timely schedule (i.e., within 40 days of the completed activity or within 40 days of the receipt of a report from an NPDES permittee, facility, or entity). For example, the data regarding a state inspection of an NPDES-regulated entity that is finalized by the state on October 5th will be electronically transferred to the EPA no later than November 14th of that same year (e.g., 40 days after October 5th). See 40 CFR 127.26(d). The minimum set of NPDES data includes:
 - a. The "Core NPDES Permitting, Compliance, And Enforcement Data [40 CFR parts 122, 123, 403, 503]" as identified as NPDES Data Group 1 in Tables 1 and 2 in Appendix A to part 127.
 - b. NPDES information (NPDES Data Groups 2 through 10 in Tables 1 and 2 in Appendix A to part 127) from NPDES permittees, facilities, and entities subject to part 127 [see 40 CFR 127.1(a)] where Alabama is the initial

recipient [as identified in 40 CFR 127.27, and as defined in 40 CFR 127.2(b)]. This includes NPDES information from NPDES permittees, facilities, and entities that received a waiver from electronic reporting (see 40 CFR 127.15).

Data elements that are required to be submitted electronically to the EPA by ADEM are identified in appendix A to 40 CFR 127.

ADEM must electronically transfer all NPDES data that supports electronic reporting (e.g., permitting, compliance monitoring, compliance determinations, and enforcement activities) to EPA's national NPDES data system three months prior to the electronic reporting start dates in Table 1 in §127.16(a) and maintain updates thereafter. These electronic data transfers must be timely, accurate, complete, and consistent (see §127.23). See 40 CFR 127.26(c).

4. The EPA regulations detail the procedure for determining the initial recipient of NPDES program data (see 40 CFR 127.27). ADEM will follow this procedure. An authorized NPDES program can elect to be the initial recipient for one or more NPDES Data Groups. In general, the process for identifying the initial recipient is provided below.
 - a. The State was required to notify the EPA by April 19, 2016 if it wishes the EPA to be the initial recipient for a particular NPDES data group. **ADEM did not elect to designate EPA Region 4 as the initial recipient of the data.**
 - b. If the State initially elected for the EPA to be the initial recipient for one or all of the NPDES data groups, it may at a later date seek the EPA approval to change the initial recipient status for one or all of the NPDES data groups from the EPA to ADEM. To make this switch, ADEM will send a request to the EPA. This request must identify the specific NPDES data groups for which the State would like to be the initial recipient of electronic NPDES information, a description of how its data system will be compliant with 40 CFR parts 3 and 127, and the date or dates when the state, tribe, or territory will be ready to start receiving this information. After the EPA approval of the request, the EPA will update the initial recipient list and will publish the revised initial recipient listing on its Web site and in the Federal Register.
 - c. The State can initially elect to be the initial recipient for one or all of the NPDES data groups and then at a later date request that the EPA become the initial recipient for one or all of the NPDES data groups. To make this switch, ADEM will send a request to the EPA. After coordination with the state, the EPA will update the initial recipient list and will publish the revised initial recipient listing on its Web site and in the Federal Register.

If the State fails to maintain all the requirements of 40 CFR parts 3 and 127 or does not consistently maintain timely data transfers, the EPA will become the initial recipient of electronic NPDES information from NPDES-regulated entities [See 40 CFR 127.27(d)]. After coordination with ADEM, the EPA will update the initial recipient list and will publish the revised initial recipient listing on its Web site and in the Federal Register.

5. ADEM will update their electronic data system to electronically collect the minimum set of NPDES data and facilitate compliance with 40 CFR 127 (including 40 CFR 127.22 and 127.23) and 40 CFR part 3. ADEM's electronic data system will facilitate electronic reporting from NPDES permittees, facilities, and entities subject to NPDES electronic reporting requirements [see 40 CFR 127.1(a)] in compliance with the start dates in Table 1 in 40 CFR 127.16(a). The State may elect to use EPA's national NPDES data system (and related Internet services and applications) for their electronic data system. See 40 CFR 127.26(b).

Process for Approving and Issuing Electronic Reporting Waivers

6. Under 40 CFR 127.15, an NPDES permittee, facility, or entity subject to NPDES electronic reporting may seek a temporary or permanent waiver from electronic reporting. Permanent waivers are only available to facilities and entities owned or operated by members of religious communities that choose not to use certain modern technologies (e.g., computers, electricity). ADEM will review the temporary or permanent waiver requests that they receive and either approve or reject these requests within 120 days. ADEM will provide the permittee, facility, or entity with notice of the approval or rejection of their temporary or permanent waiver request from electronic reporting. ADEM will electronically transfer to EPA the minimum set of NPDES data (as specified in appendix A to 40 CFR 127) that they receive from permittees, facilities, or entities with a waiver from electronic reporting in accordance with 40 CFR 127 (including 40 CFR 127.22 and 127.23) and 40 CFR part 3. ADEM will submit an updated waiver approval process to the EPA every five years. The EPA will inform ADEM if the waiver approval process is adequate. See 40 CFR 127.26(i).
7. Episodic waivers from electronic reporting may be granted by ADEM or the initial recipient to NPDES permittees, facilities, and entities [see §127.15(d)]. ADEM or initial recipient granting an episodic waiver must provide notice, individually or through means of mass communication, regarding when such an episodic waiver is available, the facilities and entities that may use the episodic waiver, the likely duration of the episodic waiver, and any other directions regarding how facilities and entities should provide the minimum set of NPDES data (as well as other required information in compliance with statutes, regulations, the NPDES permit, another control mechanism, or an enforcement order) to ADEM or the initial recipient. No waiver request from the NPDES permittee, facility or entity is required to obtain an episodic waiver from electronic reporting. ADEM or initial recipient granting the episodic waiver will determine whether to allow facilities and entities to delay their electronic submissions for a short time (i.e., no more than 40 days) or to send hardcopy (paper) submissions.

NPDES Program and Permitting Requirements for Electronic Reporting

8. The State will update their NPDES programs to implement 40 CFR part 127. See 40 CFR 123.62(e) and 127.26(e).

9. All NPDES permits issued by ADEM will contain conditions requiring compliance with the electronic reporting requirements in 40 CFR part 3, 40 CFR 122.22, and part 127. See 40 CFR 127.26(f).
10. ADEM will submit an implementation plan to EPA for review. EPA will inform the ADEM if the implementation plan is adequate. This plan must provide enough details (e.g., tasks, milestones, roles and responsibilities, necessary resources) to clearly describe how the program will successfully implement this part (including a description of their electronic reporting waiver approval process); however, this plan does not include electronic reporting of Discharge Monitoring Reports or Forms Provided or Specified by the Director (DMRs) [40 CFR 122.41(l)(4)]. These implementation plans must be submitted to EPA by December 21, 2016 for EPA review. See 40 CFR 127.26(h).

This Amendment to the Memorandum of Agreement will be effective with the following signatures:

FOR STATE AGENCY:

Lance R. LeFleur
Director
Alabama Department of Environmental Management

Date

FOR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Heather McTeer Toney
Regional Administrator
U.S. EPA, Region 4

Date

9. All NPDES permits issued by ADEM will contain conditions requiring compliance with the electronic reporting requirements in 40 CFR part 3, 40 CFR 122.22, and part 127. See 40 CFR 127.26(f).
10. ADEM will submit an implementation plan to EPA for review. EPA will inform the ADEM if the implementation plan is adequate. This plan must provide enough details (e.g., tasks, milestones, roles and responsibilities, necessary resources) to clearly describe how the program will successfully implement this part (including a description of their electronic reporting waiver approval process); however, this plan does not include electronic reporting of Discharge Monitoring Reports or Forms Provided or Specified by the Director (DMRs) [40 CFR 122.41(l)(4)]. These implementation plans must be submitted to EPA by December 21, 2016 for EPA review. See 40 CFR 127.26(h).

This Amendment to the Memorandum of Agreement will be effective with the following signatures:

FOR STATE AGENCY:

Lance R. LeFleur
Director
Alabama Department of Environmental Management

Date

FOR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Heather McTeer Toney
Regional Administrator
U.S. EPA, Region 4

Date